



State Revolving Fund Loan Programs

Drinking Water, Wastewater, Nonpoint Source

ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

TOWN OF NORTH MANCHESTER
NEW WATER TREATMENT PLANT
SRF PROJECT DW 08 07 85 02

DATE: July 30, 2008

DEADLINE FOR SUBMITTAL OF COMMENTS: August 29, 2008

I. INTRODUCTION

The above entity has applied to the Drinking Water State Revolving Loan Fund (SRF) for a loan to finance all or part of the drinking water project described in the accompanying Environmental Assessment (EA). As part of facilities planning requirements, an environmental review has been completed which addresses the project's impacts on the natural and human environment. This review is summarized in the attached EA.

II. PRELIMINARY FINDING OF NO SIGNIFICANT IMPACT (FNSI)

The SRF Drinking Water Program has evaluated all pertinent environmental information regarding the proposed project and determined that an Environmental Impact Statement is not necessary. Subject to responses received during the 30-day public comment period, and pursuant to Indiana Code 4-4-11, it is our preliminary finding that the construction and operation of the proposed facilities will result in no significant adverse environmental impact. In the absence of significant comments, the attached EA shall serve as the final environmental document.

III. COMMENTS

All interested parties may comment upon the EA/FNSI. Comments must be received at the address below by the deadline date above. Significant comments may prompt a reevaluation of the preliminary FNSI; if appropriate, a new FNSI will be issued for another 30-day public comment period. A final decision to proceed, or not to proceed, with the proposed project shall be effected by finalizing, or not finalizing, the FNSI as appropriate. Comments regarding this document should be sent within 30 days to:

Max Henschen
Senior Environmental Manager
State Revolving Fund -- IGCN 1275
100 N. Senate Ave.
Indianapolis, IN 46204
317-232-8623

ENVIRONMENTAL ASSESSMENT

I. PROJECT IDENTIFICATION

Project Name and Address: Town of North Manchester
103 East Main Street
North Manchester, IN 46962

SRF Project Number: DW 08 07 85 02

Authorized Representative: Mr. Daniel A Hannaford
Town Manager

II. PROJECT LOCATION

Located in Wabash County, Chester Township, along State Road 114, North Manchester is the home of North Manchester College. An ethanol plant to be served by the city is currently under construction. The project is located in the North Manchester South USGS quadrangle, T29N, R7E, NW ¼ of Section 5. The current and future study areas, as well as the project area, are shown on Figure 1.

III. PROJECT NEED AND PURPOSE

The existing water treatment plant is over 40 years old. Many of its components are nearing or have exceeded their useful life; the plant cannot be expanded to meet 20-year growth projections. The concrete detention tank and salt storage tank are aging and rebar is partially exposed and rusting. Only part of the plant has backup power and there is no automatic transfer switch. The roof needs repair. The proposed project will replace the existing water treatment plant with a new plant on a new site; the new plant will be able to meet the community's current and future 20-year needs.

IV. PROJECT DESCRIPTION

North Manchester will construct a new 1.36 million gallons per day water filtration plant on the lot to the west of the existing plant. The new plant will include a new masonry building with ion exchange water softening, chemical addition, and plant controls. New water mains will be installed to connect the new plant with the existing raw water and finished water mains. Backwash water will be sent to the town's sewer system, which has the capacity to handle those flows. See Figure 2.

V. ESTIMATED PROJECT COSTS, AFFORDABILITY AND FUNDING

A. Selected Plan Estimated Cost Summary

Construction Costs

4 Water Filters	\$ 920,000
3 Water Softeners	660,000
Piping and Equipment	210,000
New Building	750,000
Generator	95,000
Aeration and Detention	185,000
Electrical	110,000
Controls and Telemetry	100,000
Salt Storage	75,000
Drives and Site Work	68,000
Underground piping and Backwash Holding Tank	74,000
Subtotal	\$3,247,000

Non-Construction Costs

Engineering, legal, financial advisor, admin., etc.	\$ 230,000
contingency (10% of construction cost)	300,000
Subtotal	\$ 500,000

Total Estimated Project Cost \$3,777,000

- B. The State Revolving Fund (SRF) Loan Program will provide a 20-year term loan to North Manchester for the estimated project cost at an annual interest rate to be determined at loan closing. Monthly user rates and charges may need to be analyzed to determine if adjustments are required for loan repayment.

VI. DESCRIPTION OF EVALUATED ALTERNATIVES

No Action: The no action alternative was rejected, since it would not solve the problems of the existing treatment plant. Spare parts are hard to find and as the existing equipment ages, custom parts would have to be manufactured. Structural defects would continue.

Rehabilitate Existing Plant: The cost to rehabilitate the existing plant is substantially less than building a new plant, but annual Operation and Maintenance (O&M) costs are significantly higher. This alternative was rejected because the renovations would not result in a plant that would last the 20-year loan life.

Replace Existing Plant: This is the selected alternative. Annual O&M costs are significantly less than the Rehabilitation Alternative, although capital costs are much higher. The new plant will have efficient high service pumps, vertical pressure filters with automatic backwash and a simple control system.

VII. ENVIRONMENTAL IMPACTS OF THE FEASIBLE ALTERNATIVES

A. Direct Impacts of Construction and Operation

Undisturbed Land: In 2003, the town removed the former residence on the site and filled in the basement. The lines and structures will be installed on previously disturbed land.

Structural Resources (Figure 3): The existing treatment plant/town garage at 407 East Main Street is a "Contributing" historic site (site number 169-470-03022). The plant will remain in service until the new plant goes on line and will remain in place after that.

Wetlands (Figure 4): The project will not affect wetlands.

Surface Waters: The project will not affect surface waters.

100-Year Floodplain (Figure 5): The project will affect a 100-year floodplain.

Groundwater: The project will not negatively affect a sole source aquifer or other groundwater.

Plants and Animals: This project will not affect endangered plants or animals.

Prime Farmland: Construction of the proposed water treatment plant will not affect prime/unique farmland.

Air Quality: Air quality will be temporarily impacted by construction activities, including vehicle exhaust and dust.

Open Space and Recreational Opportunities: The project's construction and operation will neither create nor destroy open space and recreational opportunities.

The projects will not affect National Natural Landmarks nor the Lake Michigan Coastal Zone.

B. Indirect Impacts

The Town's Preliminary Engineering Report (PER) states: *The Town of North Manchester through the authority of its council, planning commission or other means will ensure that future development as well as future supply storage distribution or treatment works projects connecting to SRF funded facilities will not adversely impact wetlands, archaeological/historical structure resources or other sensitive environmental resources. The town will require new development and treatment works projects to be constructed within the guidelines of the U.S. Fish and Wildlife services, IDNR, IDEM and other environmental review authorities.*

C. Comments from Environmental Review Authorities

Due to the lack of impacts, this document is the first notice to most environmental review authorities.

The Natural Resources Conservation Service, in correspondence dated May 1, 2008 indicated that the project will not cause a conversion of farmland.

VIII. MITIGATION MEASURES

The town's PER states: *Silt fencing and straw bales will be used to prevent erosion, construction is limited to daylight hours during the work week.*

IX. PUBLIC PARTICIPATION

A properly noticed Public Hearing was held on April 2, 2008 at 7:00 pm at the town's public safety building, 709 W. Main Street to discuss the PER. There were no public comments during the public hearing. The town did not receive any written comments in the five-day period following the hearing.

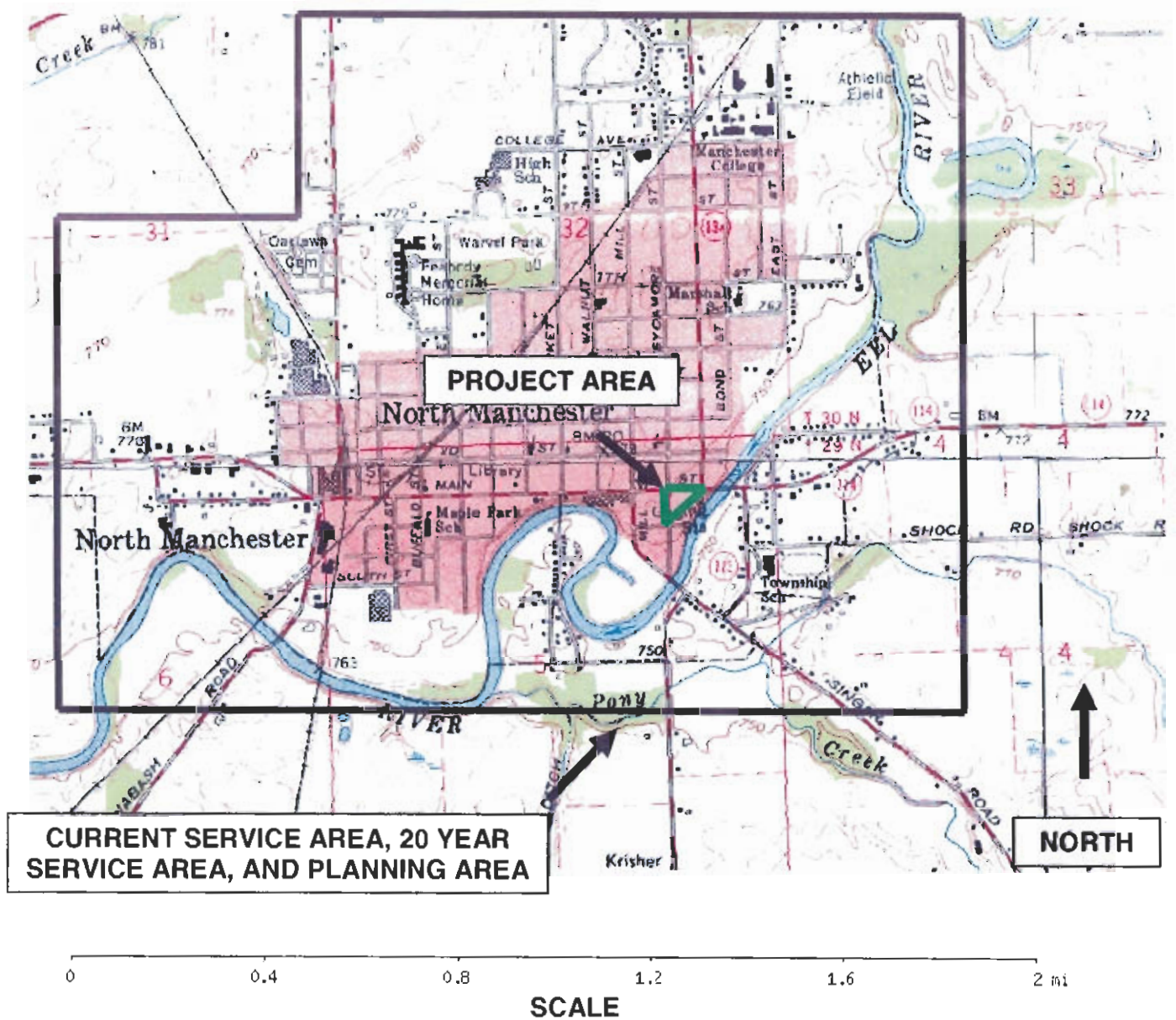


FIGURE 1: Current Service area, 20 year service area, planning area and project areas

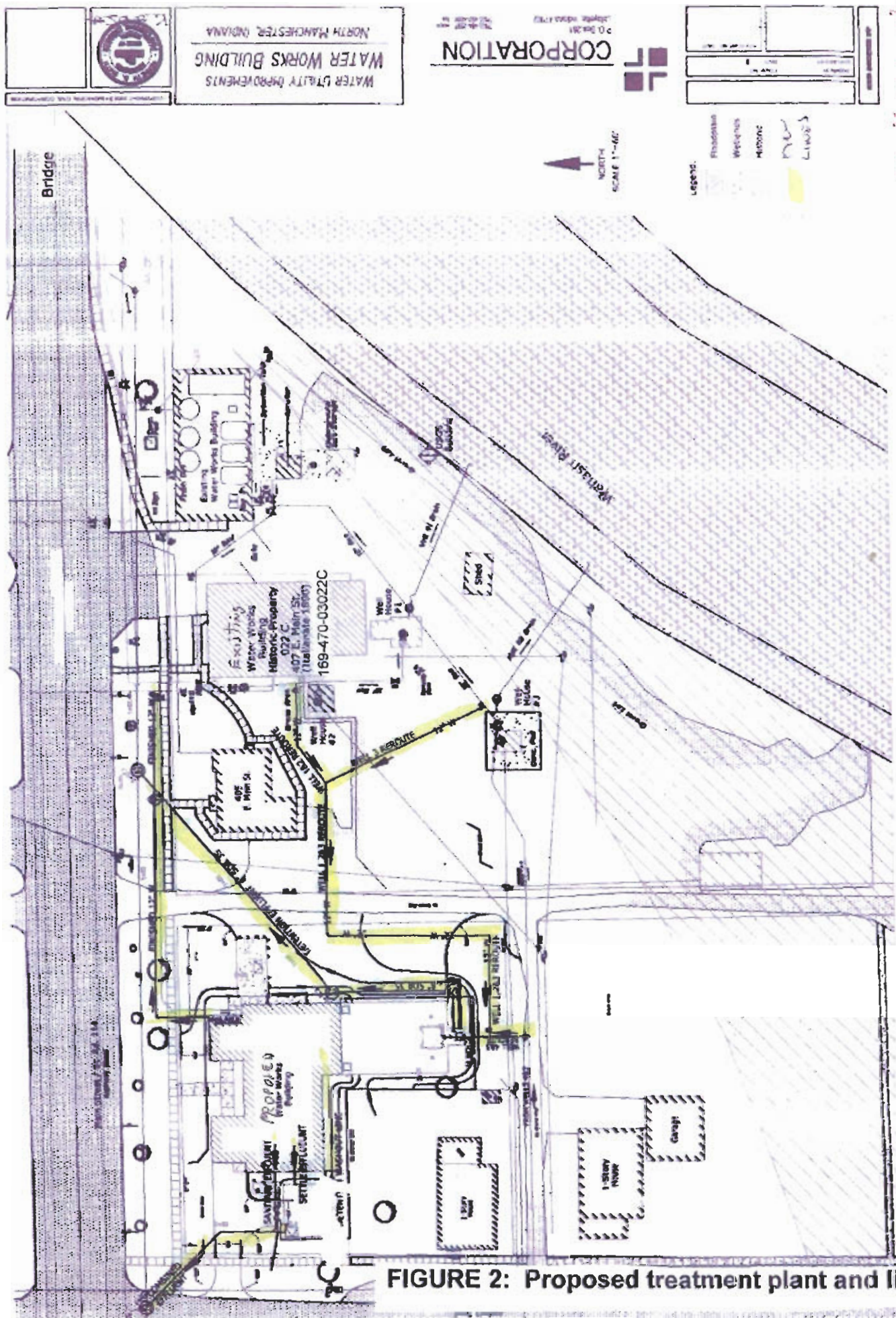


FIGURE 2: Proposed treatment plant and lines

NORTH MANCHESTER SCATTERED SITES [030001-035]

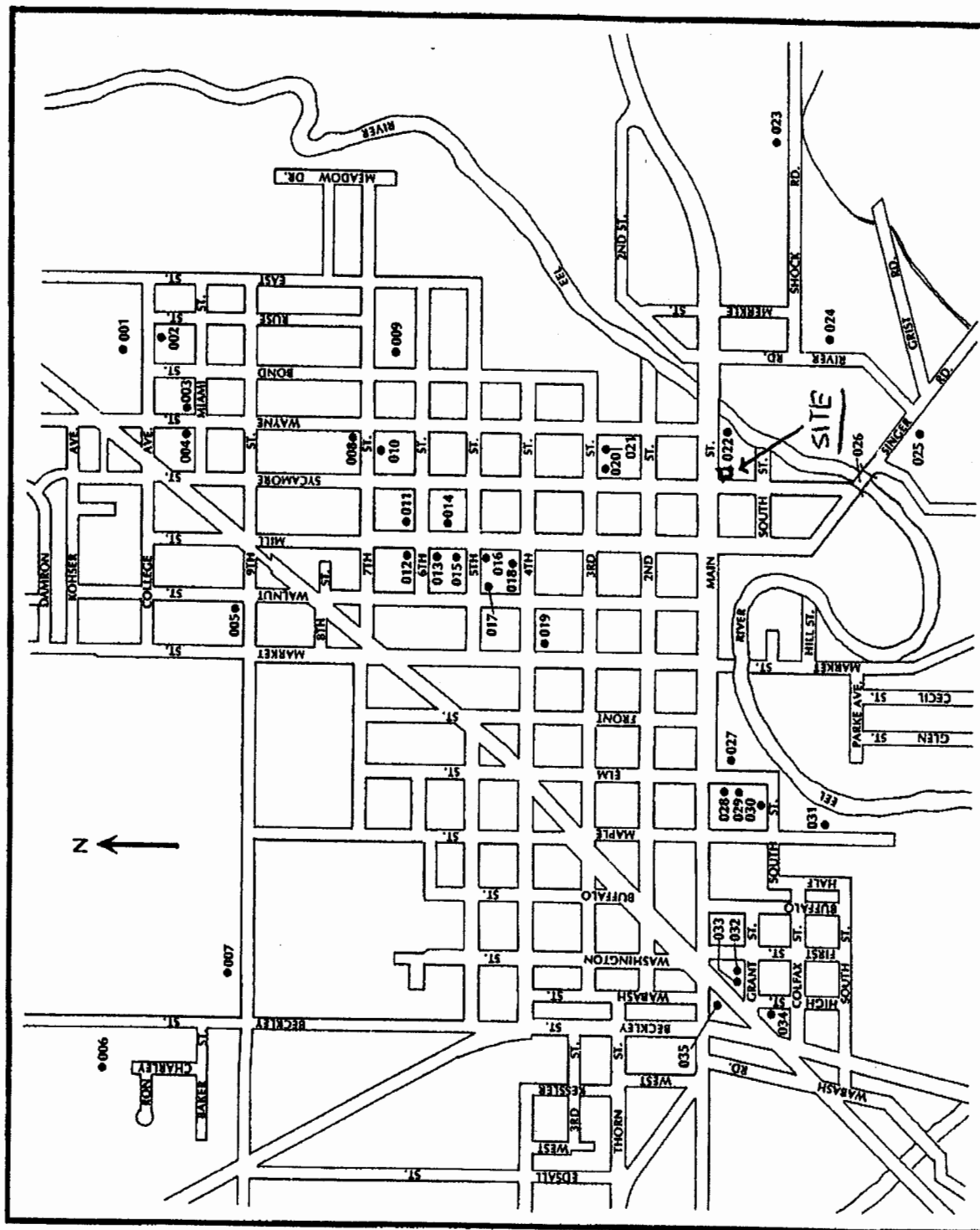


FIGURE 3: from Wabash County Interim Report (1982)
Indiana Historic Sites and Structures Inventory

FIGURE 3: Historic Properties Map

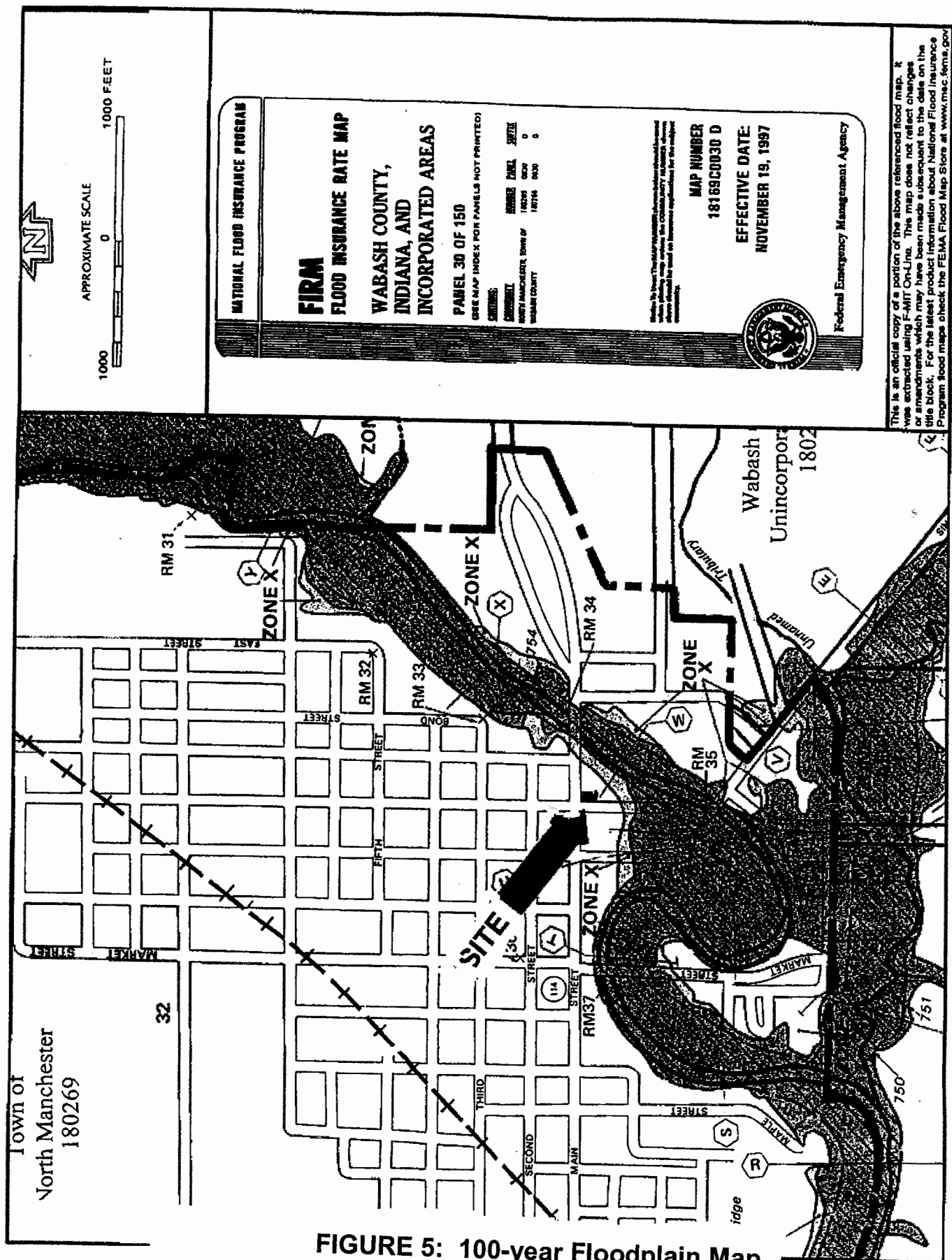


FIGURE 5: 100-year Floodplain Map.